



Home Care

Association of America
Connecticut Chapter

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Written

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Committee on Labor and Public Employees
Testimony Regarding Proposed Bill No. 6432

"An Act Concerning Homemaker Services and Homemaker Companion Agencies"

Dear Members of the Committee:

My name is Kenneth Gurin. I am President of the Connecticut Chapter of The Home Care Association of America—HCAOA (formerly known as the National Private Duty Association). The Home Care Association of America is the leading national non-profit trade association of employer based home care agencies. Its mission is to enhance the strength and professionalism of private duty home care providers through education and best practices and is comprised of over 1,000 agencies nationwide.

Besides being President of the HCAOA for the past 3 years, I have been in the Home Care Industry for over 10 years as owner of an employment based agency registered with the Department of Consumer Protection. I, along with my HCAOA CT Chapter colleagues, are all highly committed to protect the elderly clients we proudly service and caregiver we employ. I am here today in support of Proposed Bill No. 6432 and thank you for the opportunity to submit comment.

Since it's inception 11 years ago, the HCAOA still maintains that being an employer based agency is a primary criteria for membership and this was done only after careful and dutiful consideration. Additionally, many of its founding members who were in business years before HCAOA started, followed the employer based model as well. This was done not only because it was the right thing to do for its caregivers and clients, but because it was interpreted **as required by law**.

While the Registry model has been in existence since the early 1900's, its origin dates to Nurse Registries, which sent skilled nurses on assignment to patient's homes for **acute cases**. It is important to note that these professionals are **self directed**. This model has continued even though these agencies are now dealing with more chronic cases requiring less skilled individuals, who now include companions and aides using the same model. These registries maintain their models despite rulings in the state to the contrary that classify their lower skilled caregivers as not meeting the definition of Independent Contractors.

Caregivers are employees--not independent contractors. In Connecticut, all homemaker-companion agencies--with the exception of registries--have for years recognized that such workers deserve the protections of unemployment, workers' compensation and employee-bases wages. It's time for registries to follow suit.

However, the Registry model poses risks to both the client and the worker, seldom known by either. Operating outside of the legal requirements of withholding payroll taxes, Social Security and Medicare, Registries place misclassified independent contractors into an elderly consumer's home. Elderly consumers unknowingly become "accidental employers", unaware that they are responsible for handling all payroll tax withholdings and contributions along with possible liability for caregiver injuries that occur within their own home not covered without Workers Compensation Insurance. While we commend the General Law Committee's passage of Chapter 400o of the General Statutes (for Homemaker-Companion Agencies), enforcement of this statute by the Department of Consumer Protection is a huge challenge due to staffing limitations.

It is important to remember that these cost savings are coming at the expense to the citizen's of CT as the state's cash strapped income is further eroded by not collecting the payroll taxes legally owed.

Raised 6432 bill should also make it clear that misclassification should also apply in a situation wherein a private individual or family personally "hires" a caregiver but does not treat that caregiver as an employee. In other words, the bill should say that a private individual or family that independently hires an employee ("off the street") must treat that caregiver as an employee. Otherwise, that individual or family would be also engaging in misclassification.

Again, we strongly urge the committee that this bill should be voted favorably and we will be happy to continue to work with DOL and this committee to make this bill move forward.

Thank you for the opportunity to testify today.